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Peace Dividend Trust Leads International Aid Improvement in Afghanistan

By [Leon Kaye](#) | August 2nd, 2010 [View Comments](#)

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International aid has received more scrutiny over the past several months. Misallocation of funds for the relief effort in Haiti has led more donors to evaluate NGOs' operations. The Global Reporting Initiative **launched an NGO supplement** as more aid organizations realized that they must address questions related to transparency. Donors, understandably, just want to know how their money is spent and where it is going.



Afghanistan is one country where good intentions rarely trickle down to the people who need assistance the most.

On average only 5 to 25% of aid budgets actually benefit the local economy: the rest often funds hiring international staff or flying in goods. But the efforts of a former Canadian diplomat who is working with other Foreign Service workers, NGO employees, peacekeepers, and diplomats are starting to pay off in Afghanistan.

Scott Gilmore first started working in Afghanistan for the Canadian Foreign Service in 2002. A year later, he helped open Canada's embassy in Kabul, then started working with the United Nations to measure the financial results of various aid organizations. By 2006 Gilmore started thinking about options for Afghan entrepreneurs who wanted a role in building success within their own country.

As a result, the **Peace Dividend Trust** (PDT), Gilmore's brainchild, strives to make humanitarian aid more effective, efficient, and equitable, allowing foreign aid missions to achieve their goals faster. Working to cut out the middlemen while permitting the funds to flow from international procurement officers to local vendors, PDT encourages local resources to rebuild their economies rather than relying on expensive international aid workers and supplies.

From the PDT's operations, Gilmore helped with establishing the **Peace Dividend Marketplace**, which is charged with creating long term economic growth and job creating in Afghanistan. Training local businessmen on how to find and bid on international contracts; translating and distributing international tenders locally; matchmaking procurement needs; and creating a database of local entrepreneurs who are vetted and trusted are among the PDT's functions.

Afghanistan has benefited from the results. PDT and PDM have worked to redirect **US\$485 million of new spending into the local economy**, money that otherwise would have ended up in Dubai, London, or New York. Meanwhile, the organizations received a US\$750,000 Skoll Award for Social Entrepreneurship.

The media have convinced many of us that this landlocked country is a lawless, chaotic place, which buries the truth about Afghans—like any people who have found themselves at the crossroads of civilizations, these people have a strong business and entrepreneurial gene—a visit to Fremont, California, home to one of the largest Afghan communities in the Diaspora, will give you such a snapshot. In the end, aid should not be a handout, but a hand pushing others up. Gilmore and the organizations he spearheaded have certainly given Afghans quite a nudge.

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